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INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 3954
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C O N F I D E N T I A L KATHMANDU 000454

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TAGS: [PGOV](#) [PREL](#) [NP](#)
SUBJECT: VICE CHAIRMEN RECEPTIVE AND READY FOR
RECONCILIATION, BUT HOW?

REF: KATHMANDU 429

Classified By: Ambassador James F. Moriarty, Reasons 1.4 (b/d)

SUMMARY

11. (C) In separate February 14 meetings with the Vice Chairmen of Nepal's Council of Ministers, Tulsi Giri and Kirti Nidhi Bista, the Ambassador relayed USG satisfaction with the Supreme Court decision finding the Royal Commission on Corruption Control (RCCC) unconstitutional and ordering the release of former Prime Minister Deuba (Reftel). The USG hoped to see additional steps by His Majesty's Government of Nepal (HMGN) to reconcile with the political parties. Giri indicated that later on February 14 he would convey to the King the USG suggestion that he include a reconciliatory message in his Democracy Day address. The Ambassador also informed the Vice Chairmen that he would deliver a speech on February 15 detailing his concerns about continuing Maoist violence and the need for reconciliation between the Parties and the Palace. Vice Chairman Giri also shared that he was approached by the Federation of Nepalese Chambers of Commerce and Industry's (FNCCI) members to push for reconciliation between the King and the Parties. End Summary.

RECONCILIATION YES, BUT HOW?

12. (C) Both Giri and Bista concurred that compromise between the Parties and the Palace was the way forward, however, they both agreed that the King would be reluctant to make the first move. The Ambassador assured the Vice Chairmen that he had also been meeting with political party leaders and that he had encouraged the Parties to accept an invitation by the Palace to come to the negotiating table if a chance at reconciliation was offered. Giri complained that the King was "ready to extend his hand" to the political parties, but the Parties did not appear to be interested in reconciliation with the King. Giri urged the Ambassador to continue to meet with political party leaders and encourage them to reconcile with the King. The Ambassador stated that in his meetings with political party leaders, the Parties expressed their desperate desire to reconcile.

WHAT IS THE MESSAGE ON DEMOCRACY DAY?

13. (C) Giri stated that he was meeting with the King on the evening of February 14 and would convey the USG message to consider a message of reconciliation in the King's Democracy Day address. The Ambassador stressed his hope that the King would send out a signal of compromise and reconciliation in his Democracy Day address and commented that he would highlight the USG position in his speech on February 15.

PAWNS FOR THE MAOISTS

14. (C) The Ambassador and the Vice Chairmen also discussed the relationship between the Parties and the Maoists. Giri expressed dismay that G.P. Koirala could talk to the "terrorists" but not talk to the King, while Bista stated that the political parties were being "played" by the Maoists. Both Vice Chairmen seemed disturbed by Maoist leader Prachanda's BBC interview. The Ambassador also highlighted the growing anti-Americanism in Prachanda's interviews and his concern about calls for the creation of a parallel government including the political parties. Both Vice Chairmen shared the Ambassador's concerns and questioned the Parties' decision to remain partners with the Maoists.

NOT OPEN FOR BUSINESS

15. (C) Giri stated the leaders from the FNCCI had met with him to discuss the current security situation and concerns over the status of business in Nepal. According to Giri, the

FNCCI members had pushed for reconciliation between the King and the Parties in hopes that it would create a more stable and safe environment for business. Giri added that the FNCCI leaders had also tried to meet with Nepali Congress (NC) leader G.P. Koirala to discuss a possible exploratory meeting between Koirala and Giri but an unwell Koirala had declined to meet them.

COMMENT

16. (C) Both Vice Chairmen appeared to be receptive to the Ambassador's message of reconciliation. However, they continue to put the onus on the political parties, who they claim have been unresponsive to feelers in the past, and question how the Parties would react if the King decided to reach out.

MORIARTY